



SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-601, OMB Control No. 3235-0673]

Submission for OMB Review; Comment Request; Extension: Rule 15c3-5

Upon Written Request, Copies Available From:

Securities and Exchange Commission

Office of FOIA Services

100 F Street, NE

Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (“PRA”) (44 U.S.C. 3501 et seq.) (“PRA”), the Securities and Exchange Commission (“Commission”) has submitted to the Office of Management and Budget (“OMB”) a request for approval of extension of the previously approved collection of information provided for in Rule 15c3-5 (17 CFR 240.15c3-5) under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) (“Exchange Act”).

Rule 15c3-5 under the Exchange Act requires brokers or dealers with access to trading directly on an exchange or alternative trading system (“ATS”), including those providing sponsored or direct market access to customers or other persons, to implement risk management controls and supervisory procedures reasonably designed to manage the financial, regulatory, and other risks of this business activity.

The rule requires brokers or dealers to establish, document, and maintain certain risk management controls and supervisory procedures as well as regularly review such controls and procedures, and document the review, and remediate issues discovered to assure overall effectiveness of such controls and procedures. Each such broker or dealer is required to preserve a copy of its supervisory procedures and a written description of its risk management controls as part of its books and records in a manner consistent with Rule 17a-4(e)(7) under the Exchange Act. Such regular review is required to be conducted in accordance with written procedures and

is required to be documented. The broker or dealer is required to preserve a copy of such written procedures, and documentation of each such review, as part of its books and records in a manner consistent with Rule 17a-4(e)(7) under the Exchange Act, and Rule 17a-4(b) under the Exchange Act, respectively.

In addition, the Chief Executive Officer (or equivalent officer) is required to certify annually that the broker or dealer's risk management controls and supervisory procedures comply with the rule, and that the broker-dealer conducted such review. Such certifications are required to be preserved by the broker or dealer as part of its books and records in a manner consistent with Rule 17a-4(b) under the Exchange Act. Compliance with Rule 15c3-5 is mandatory.

Respondents consist of broker-dealers with access to trading directly on an exchange or ATS. The Commission estimates that there are currently 520 respondents. To comply with Rule 15c3-5, these respondents will spend a total of approximately 83,200 hours per year (160 hours per broker-dealer \times 520 broker-dealers = 83,200 hours). At an average internal cost per burden hour of approximately \$401.89, the resultant total related internal cost of compliance for these respondents is \$33,437,040 per year (83,200 burden hours multiplied by approximately \$401.89/hour). In addition, for hardware and software expenses, the Commission estimates that the average annual external cost would be approximately \$20,500 per broker-dealer, or \$10,660,000 in the aggregate (\$20,500 per broker-dealer \times 520 brokers and dealers = \$10,660,000).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

The public may view background documentation for this information collection at the following website: >www.reginfo.gov<. Find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function. Written comments and recommendations for the proposed information collection should be sent by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL**

REGISTER] to (i) >MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov < and (ii) David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John Pezzullo, 100 F Street, NE, Washington, DC 20549, or by sending an e-mail to:

PRA_Mailbox@sec.gov.

Dated: September 26, 2022.

J. Matthew DeLesDernier,

Deputy Secretary.

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